

# **Planning Guide Sheets**

## **Section 5**

### **Product/Service Management**

<b>Topic</b>	Nature and Scope
<b>Performance Indicator</b>	Explain the nature and scope of the product/service management function (PM:001)
<b>Level</b>	Specialist
<b>Marketing Education Standard</b>	Understands the concepts and processes needed to obtain, develop, maintain, and improve a product or service mix in response to market opportunities
<b>SCANS</b>	Resources 3; Information 5-8; Systems 15; Basic Skills 1-2,5-6; Thinking Skills 12
<b>Show-Me Standards</b>	4.8, CA 3
<b>Objectives</b>	<ul style="list-style-type: none"> <li>a. Define the term product/service management.</li> <li>b. Explain who is responsible for managing products/services.</li> <li>c. Describe the benefits of product/service managing.</li> <li>d. Describe the phases of product/service managing.</li> <li>e. Describe factors affecting product/service managing.</li> <li>f. Explain the role product/service management plays in marketing.</li> </ul>
<b>Sample Activity</b>	Divide the class into small groups of three or four students each. Explain that each group is a product team whose goal is to identify a consumer product that your team's company wants to put on the market in two years. Tell the teams to determine what the product is, why it is needed, who could use it, and what steps the team will take in product planning. In addition, team members should propose product-related services that need to be considered for the product and other products the company might add to this product's line. Ask the teams to appoint a group representative to present the team's recommendations to the class.
<b>Resources LAP</b>	<p>Marketing Education Resource Center (1991). <i>Product/Service planning</i> [Product/Service Planning LAP 5]. Columbus, OH: Author.</p> <p>Marketing Education Resource Center (1991). <i>Product/Service planning: Instructor copy</i> [Product/Service Planning LAP 5]. Columbus, OH: Author.</p>
<b>Textbooks</b>	<p>Burrow, J. (2002). <i>Marketing</i> (pp. 94-97, 473, 498). Mason, OH: South-Western Thomson Learning.</p> <p>Everard, K., Burrow, J. (2001). <i>Business principles and management</i> (pp. 569-573). Mason, OH: Delmar South-Western Thomson Learning.</p> <p>Farese, L., Kimball, G., Woloszyk C. (2002). <i>Marketing essentials</i> (3<sup>rd</sup> ed.) [pp. 550-556]. New York: Glencoe McGraw-Hill.</p> <p>Farese, L., Kimbrell, G., &amp; Woloszyk, C. (1997). <i>Marketing essentials</i> (2<sup>nd</sup> ed.) [pp. 449-454]. Mission Hills, CA: Glencoe/McGraw-Hill.</p> <p>Meyer, E.C., &amp; Allen, K.R. (2000). <i>Entrepreneurship and small business management: Teacher's manual</i> (pp. 273-277). New York: Glencoe/Macmillan/McGraw-Hill.</p>

<b>Topic</b>	Nature and Scope
<b>Performance Indicator</b>	Identify the impact of product life cycles on marketing decisions (PM:024)
<b>Level</b>	Specialist
<b>Marketing Education Standard</b>	Understands the concepts and processes needed to obtain, develop, maintain, and improve a product or service mix in response to market opportunities
<b>SCANS</b>	Resources 3; Information 5-8; Systems 15; Basic Skills 1-2,5-6; Thinking Skills 12
<b>Show-Me Standards</b>	1.6, 1.8, 3.5, CA 3
<b>Objectives</b>	<ol style="list-style-type: none"> <li>Define the following terms: product life cycle, introduction, growth, maturity, decline, pricing decisions, promotion decisions, place decisions, and product decisions.</li> <li>Identify stages of the product life cycle.</li> <li>Describe the characteristics of each stage of the product life cycle.</li> <li>Discuss the impact of each stage of the product life cycle on marketing decision making.</li> <li>Explain how a company can extend a product's life cycle.</li> </ol>
<b>Sample Activity</b>	Conduct a class discussion to select a product to sell at school that would be of interest to the student body or to students in a specific grade (e.g., senior T-shirts, school sweatshirts bearing the current school year, etc.). Work with students to obtain the selected product. Have students sell the product and observe the product life-cycle process. Ask students to write a summary of their observations depicting each phase.
<b>Resources Textbooks</b>	<p>Burrow, J. (2002). <i>Marketing</i> (pp. 229-231 ). Mason, OH: South-Western Thomson Learning.</p> <p>Everard, K., Burrow, J. (2001). <i>Business principles and management</i> (pp. 98-99, 555-558). Mason, OH: Delmar, South-Western Thomson Learning.</p> <p>Farese, L., Kimball, G., Woloszyk C. (2002). <i>Marketing essentials</i> (3<sup>rd</sup> ed.) [pp. 557-561]. New York: Glencoe McGraw-Hill.</p> <p>Farese, L.S., Kimbrell, G., &amp; Woloszyk, C.A. (1997). <i>Marketing essentials</i> (2<sup>nd</sup> ed.) [pp. 395-397, 455-456]. Mission Hills, CA: Glencoe/McGraw-Hill.</p> <p>Johansson, J. (2000). <i>Global marketing</i> (2<sup>nd</sup> ed.) [pp. 6, 34-35, 114, 359, 378, 407]. Boston: Irwin McGraw-Hill.</p> <p>Kuratko, D., Hodgetts, R. (2001). <i>Entrepreneurship: A contemporary approach</i> (5<sup>th</sup> ed.) [pp. 244]. Mason, OH: South-Western Thomson Learning.</p> <p>Lambert, D.M., Stock, J.R., &amp; Ellram, L.M. (1998). <i>Fundamentals of logistics management</i> (pp. 291, 568). Boston: Irwin McGraw-Hill.</p> <p>Longenecker, J.G., Moore, C.W., &amp; Petty, J.W. (2000). <i>Small business management: An entrepreneurial emphasis</i> (11<sup>th</sup> ed.) [pp. 278-279]. Cincinnati: South-Western College Publishing.</p>
<b>Workbooks/ Manuals</b>	Crisp Publications (1998). <i>New Product Introduction</i> . Columbus, OH: Marketing Education Resource Center (Distributor).

<b>Topic</b>	Nature and Scope
<b>Performance Indicator</b>	Describe the use of technology in the product/service management function (PM:039)
<b>Level</b>	Specialist
<b>Marketing Education Standard</b>	Understands the concepts and processes needed to obtain, develop, maintain, and improve a product or service mix in response to market opportunities
<b>SCANS</b>	Resources 3; Information 5-8; Systems 15; Technology 18; Basic Skills 1-2, 5-6; Thinking Skills 12
<b>Show-Me Standards</b>	1.4, 4.1, CA 3
<b>Objectives</b>	<ol style="list-style-type: none"> <li>Identify ways that the use of technology impacts the product/service management function.</li> <li>Explain specific applications of technology in product/service management.</li> </ol>
<b>Sample Activity</b>	Obtain computer and Internet access for students. Ask students to identify examples of technology used in bringing and keeping products on the market. (Possible search term on Google: technology. Then, search within results for "product development." Explain that students should record their findings and report them to the class.
<b>Resources Textbooks</b>	<p>Burrow, J. (2002). <i>Marketing</i> (pp. 229-231). Mason, OH: South-Western Thomson Learning.</p> <p>Farese, L., Kimball, G., Woloszyk C. (2002). <i>Marketing essentials</i> (3<sup>rd</sup> ed.) [pp. 496, 552-553, 558, 562, 570]. New York: Glencoe McGraw-Hill.</p> <p>Hanson, W. (2000). <i>Principles of Internet marketing</i> (pp. 422-423). Cincinnati: South-Western College Publishing.</p> <p>Johansson, J. (2000). <i>Global marketing</i> (2<sup>nd</sup> ed.) [pp. 51-52, 353, 429-430]. Boston: Irwin McGraw-Hill.</p> <p>Meyer, E.C., &amp; Allen, K.R. (2000). <i>Entrepreneurship and small business management: Teacher's annotated edition</i> (pp. 182-183, 227). New York: Glencoe/Macmillan/McGraw-Hill.</p> <p>Zeithaml, V.A., &amp; Bitner, M.J. (2000). <i>Services marketing: Integrating customer focus across the firm</i> (2<sup>nd</sup> ed.) [pp. 17-18]. Boston: Irwin McGraw-Hill.</p> <p>Zikmund, W.G., &amp; d'Amico, M. (1999). <i>Marketing</i> (6<sup>th</sup> ed.) [pp. 437, 465-466]. Cincinnati: South-Western College Publishing.</p>

<b>Topic</b>	Nature and Scope
<b>Performance Indicator</b>	Explain business ethics in product/service management (PM:040)
<b>Level</b>	Specialist
<b>Marketing Education Standard</b>	Understands the concepts and processes needed to obtain, develop, maintain, and improve a product or service mix in response to market opportunities
<b>SCANS</b>	Resources 3; Information 5-8; Systems 15; Basic Skills 1-2,5-6; Thinking Skills 12; Personal Qualities 17
<b>Show-Me Standards</b>	3.8, 4.4
<b>Objectives</b>	<ul style="list-style-type: none"> <li>a. Describe ethical considerations in product packaging.</li> <li>b. Explain how planned obsolescence is an ethical issue for businesses.</li> <li>c. Explain ethical issues associated with product labeling.</li> </ul>
<b>Sample Activity</b>	Tell students to imagine that the development of a new product will result in a huge profit for a business; however, its production will result in hazardous wastes. Arrange for students to conduct a class debate about whether a company should move forward with product development. Implement the debate, and debrief following the activity.
<b>Resources Textbooks</b>	<p>Burrow, J. (2002). <i>Marketing</i> (pp. 96, 258, 270). Mason, OH: South-Western Thomson Learning.</p> <p>Eggland, S., Dlabay, L., Burrow, J., Ristau, R. (2000). <i>Intro to business</i> (4th ed.) (pp. 121-122). Cincinnati: South-Western Educational Publishing.</p> <p>Farese, L., Kimball, G., Woloszyk C. (2002). <i>Marketing essentials</i> (3<sup>rd</sup> ed.) [pp. 570, 577-580]. New York: Glencoe McGraw-Hill.</p> <p>Farese, L.S., Kimbrell, G., &amp; Woloszyk, C.A. (1997). <i>Marketing essentials</i> (2<sup>nd</sup> ed.) [pp. 467-471]. Mission Hills, CA: Glencoe/McGraw-Hill.</p> <p>Kuratko, D., Hodgetts, R. (2001). <i>Entrepreneurship: A contemporary approach</i> (5<sup>th</sup> ed.) [pp. 159-161]. Mason, OH: South-Western Thomson Learning.</p> <p>Zikmund, W.G., &amp; d'Amico, M. (1999). <i>Marketing</i> (6<sup>th</sup> ed.) [pp. 281-284, 326-327, 438, 449]. Cincinnati: South-Western College Publishing.</p>

<b>Topic</b>	Product Mix
<b>Performance Indicator</b>	Explain the concept of product mix (PM:003)
<b>Level</b>	Specialist
<b>Marketing Education Standard</b>	Understands the concepts and processes needed to obtain, develop, maintain, and improve a product or service mix in response to market opportunities
<b>SCANS</b>	Resources 3; Information 5-8; Systems 15; Basic Skills 1-2,5-6; Thinking Skills 12
<b>Show-Me Standards</b>	1.5, 4.1
<b>Objectives</b>	<ol style="list-style-type: none"> <li>Define the following terms: product mix, product item, product line, width, depth, consistency, expansion, contraction, alteration, trading up, trading down, and positioning.</li> <li>Identify ways in which product lines can be organized.</li> <li>Describe product mix dimensions.</li> <li>Identify reasons that a business would offer a narrow product mix.</li> <li>Identify reasons that a business would offer a broad product mix.</li> <li>Identify reasons that a business would offer a deep product mix.</li> <li>Identify reasons that a business would offer a shallow product mix.</li> <li>Explain the importance of a business's product mix.</li> <li>Describe advantages of expansion product-mix strategies.</li> <li>Describe disadvantages of expansion product-mix strategies.</li> <li>Describe advantages of contraction product-mix strategies.</li> <li>Describe disadvantages of contraction product-mix strategies.</li> <li>Describe advantages of alteration product-mix strategies.</li> <li>Describe disadvantages of alteration product-mix strategies.</li> <li>Describe advantages of trading up product-mix strategies.</li> <li>Describe disadvantages of trading up product-mix strategies.</li> <li>Describe advantages of trading down product-mix strategies.</li> <li>Describe disadvantages of trading down product-mix strategies.</li> <li>Describe advantages of positioning product-mix strategies.</li> <li>Describe disadvantages of positioning product-mix strategies.</li> </ol>
<b>Sample Activity</b>	<p>Arrange computer and Internet access for students. Ask them to visit a company's web site to identify its product lines; for each product line, identify product items. Tell students that company web sites can be accessed through <i>Companies Online</i> at <a href="http://www.companiesonline.com">http://www.companiesonline.com</a> and <i>Hoover's Online</i> at <a href="http://www.hoovers.com/">http://www.hoovers.com/</a>. Ask students to print the information obtained and to write a one-page report about the company's product mix and its advantages and disadvantages for the company.</p>
<b>Resources LAP</b>	<p>Marketing Education Resource Center (1991). <i>Product mix</i> [Product/Service Planning LAP 3]. Columbus, OH: Author.</p> <p>Marketing Education Resource Center (1991). <i>Product mix: Instructor copy</i> [Product/Service Planning LAP 3]. Columbus, OH: Author.</p>

**Textbooks**

- Boone, L.E., & Kurtz, D.L. (2002). *Contemporary marketing* (pp. 344-345, 349-351, 372-373). Cincinnati: South-Western.
- Burrow, J. (2002). *Marketing* (pp. 265-266). Cincinnati: South-Western.
- Churchill, G.A., Jr., & Peter, J.P. (1998). *Marketing: Creating value for customers* (2<sup>nd</sup> ed.) [pp. 248-252]. Burr Ridge, IL: Irwin McGraw-Hill.
- Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2002). *Marketing essentials* (3rd ed.) [pp. 547-549]. Mission Hills, CA: Glencoe/McGraw-Hill.
- Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (1997). *Marketing essentials* (2<sup>nd</sup> ed.) [pp. 449-454]. Mission Hills, CA: Glencoe/McGraw-Hill.
- Johansson, J. (2000). *Global marketing* (2<sup>nd</sup> ed.) [pp. 375, 414, 478]. Boston: Irwin McGraw-Hill.
- Kotler, P., & Armstrong, G. (1999). *Principles of marketing* (8<sup>th</sup> ed.) [pp. 255-258]. Upper Saddle River, NJ: Prentice Hall.
- Zikmund, W.G., & d'Amico, M. (2001). *Marketing: Creating and keeping customers in an e-commerce world* (7<sup>th</sup> ed.) [pp. 249-250, 256-257]. Cincinnati: South-Western College Publishing.
- Zikmund, W.G., & d'Amico, M. (1999). *Marketing* (6<sup>th</sup> ed.) [pp. 271-272, 294, 321-323]. Cincinnati: South-Western College Publishing.

**Software/  
Online**

- Curriculum and Instructional Materials Center (Producer). [1999]. *Marketing, business basics and economics* [Product Planning LAP 3: Presentation Software]. Marketing Education Resource Center (Distributor).

<b>Topic</b>	Product Mix
<b>Performance Indicator</b>	Describe the nature of product bundling (PM:041)
<b>Marketing Education Standard</b>	Understands the concepts and processes needed to obtain, develop, maintain, and improve a product or service mix in response to market opportunities
<b>Level</b>	Specialist
<b>SCANS</b>	Resources 3; Information 5-8; Systems 15; Basic Skills 1-2,5-6; Thinking Skills 8-12
<b>Show-Me Standards</b>	3.8, 4.1
<b>Objectives</b>	<ul style="list-style-type: none"> <li>a. Define the term product bundling.</li> <li>b. Identify reasons for bundling of products.</li> <li>c. Describe ways in which products can be bundled.</li> <li>d. Explain the impact of bundling on pricing decisions.</li> </ul>
<b>Sample Activity</b>	Tell students to imagine that they have been hired as the distribution manager of <i>Back-To-School Bundles</i> . It is their responsibility to determine which school supplies should be packaged together for Rosemont High's back-to-school supply sale. Ask students to make a list of the products in each of the bundles they plan to offer for sale and to write a short explanation of their reasoning. When students are finished, form pairs of students so that they can share their recommendations with a classmate.
<b>Resources Textbooks</b>	<p>Burrow, J. (2002). <i>Marketing</i> (pp. 302-303). Cincinnati: South-Western.</p> <p>Farese, L.S., Kimbrell, G., &amp; Woloszyk, C.A. (2002). <i>Marketing essentials</i> (3rd ed.) [p. 474]. Mission Hills, CA: Glencoe/McGraw-Hill.</p> <p>Kotler, P., &amp; Armstrong, G. (1999). <i>Principles of marketing</i> (8<sup>th</sup> ed.) [pp. 333-334]. Upper Saddle River, NJ: Prentice Hall.</p> <p>Lamb, C.W., Hair, J.F., &amp; McDaniel, C. (2003). <i>Essentials of marketing</i> (3<sup>rd</sup> ed.) [p. 526]. Cincinnati: South-Western.</p> <p>Zikmund, W.G., &amp; d'Amico, M. (2001). <i>Marketing: Creating and keeping customers in an e-commerce world</i> (7<sup>th</sup> ed.) [pp. 603-604]. Cincinnati: South-Western College Publishing.</p>



<b>Topic</b>	Positioning
<b>Performance Indicator</b>	Describe factors used by marketers to position products/businesses (PM:042)
<b>Level</b>	Specialist
<b>Marketing Education Standard</b>	Understands the concepts and processes needed to obtain, develop, maintain, and improve a product or service mix in response to market opportunities
<b>SCANS</b>	Information 5-8; Systems 15; Basic Skills 1-2,5-6; Thinking Skills 7-8,12
<b>Show-Me Standards</b>	4.1
<b>Objectives</b>	<ul style="list-style-type: none"> <li>a. Define the following terms: competitive advantage and positioning.</li> <li>b. Explain the relationship between the target market with positioning.</li> <li>c. Discuss how marketing mix elements can be differentiated to position products/businesses.</li> </ul>
<b>Sample Activity</b>	Ask students to individually select two automobile manufacturers: one offers luxury cars, the other for economy cars. Tell them to identify factors that the two companies use to position the cars. Divide the class into small groups of three or four students each, and ask the team members to discuss their responses.
<b>Resources Textbooks</b>	<p>Burrow, J. (2002). <i>Marketing</i> (pp.171-174). Mason, OH: South-Western Thomson Learning.</p> <p>Churchill, G.A., Jr., &amp; Peter, J.P. (1998). <i>Marketing: Creating value for customers</i> (2<sup>nd</sup> ed.) [pp. 48, 219-221]. Burr Ridge, IL: Irwin McGraw-Hill.</p> <p>Everard, K., Burrow, J. (2001). <i>Business principles and management</i> [pp. 550-552]. Mason, OH: Delmar, South-Western Thomson Learning.</p> <p>Farese, L., Kimball, G., Woloszyk C. (2002). <i>Marketing essentials</i> (3<sup>rd</sup> ed.) [pp. 559-561]. New York: Glencoe McGraw-Hill.</p> <p>Farese, L.S., Kimbrell, G., &amp; Woloszyk, C.A. (1997). <i>Marketing essentials</i> (2<sup>nd</sup> ed.) [pp. 23-25]. Mission Hills, CA: Glencoe/McGraw-Hill.</p> <p>Zikmund, W.G., &amp; d'Amico, M. (1999). <i>Marketing</i> (6<sup>th</sup> ed.) [pp. 47-48, 246-248, 486-488, 498]. Cincinnati: South-Western College Publishing.</p>
<b>Software/ Online</b>	<p>Determan, M. (n.d.). <i>Marketing-positioning, strategies, segmentation, and niches</i>. The Management Assistance Program for Nonprofits Web site: Overview. Retrieved February 27, 2003 from <a href="http://www.mapnp.org/library/mrktng/position.htm">http://www.mapnp.org/library/mrktng/position.htm</a></p>

<b>Topic</b>	Positioning
<b>Performance Indicator</b>	Explain the nature of branding (PM:021)
<b>Level</b>	Specialist
<b>Marketing Education Standard</b>	Understands the concepts and processes needed to obtain, develop, maintain, and improve a product or service mix in response to market opportunities
<b>SCANS</b>	Information 5-8; Systems 15; Basic Skills 1-2,5-6; Thinking Skills 7-8,12
<b>Show-Me Standards</b>	1.6, 4.1, CA 6
<b>Objectives</b>	<ol style="list-style-type: none"> <li>Define the following terms: brand, brand identity, brand name, brand symbol, trade character, values, brand cues, brand personality, touch points, brand promise, brand recognition, brand preference, brand insistence, corporate brands, product brands, generic brand, national brand, private/distributor brand, brand strategies, family branding, individual branding, brand extensions, brand licensing, and co-branding.</li> <li>Describe the elements that make up a brand's identity.</li> <li>List the characteristics of a good brand name.</li> <li>Explain the use of values in brand development.</li> <li>Discuss the significance of a brand's personality.</li> <li>Describe the use of brand touch points.</li> <li>Explain levels of brand loyalty.</li> <li>Distinguish between corporate and distributor brands.</li> <li>Identify types of brand strategies.</li> <li>Describe considerations for international branding.</li> <li>Explain the impact of the Internet on branding.</li> <li>Discuss employees' role in branding.</li> </ol>
<b>Sample Activity</b>	Ask students to select a brand name and to identify the characteristics that make it an effective brand name. Tell students to then determine the brand's stage of brand loyalty: recognition, preference, or insistence. Obtain and provide materials for students to prepare visuals featuring the brand name, its brand values, brand personality, and touch points. Display the visuals in the classroom.
<b>Resources LAP</b>	<p>Marketing Education Resource Center (2003) <i>It's a brand, brand, brand world!</i> [Product/Service Management LAP 6]. Columbus, OH: Author.</p> <p>Marketing Education Resource (2003) <i>It's a brand, brand, brand world! Instructor copy.</i> [Product/Service Management LAP 6]. Columbus, OH: Author.</p>
<b>Textbooks</b>	<p>Burrow, J. (2002). <i>Marketing</i> (p. 271). Mason, OH: South-Western Thomson Learning.</p> <p>Churchill, G.A., Jr., &amp; Peter, J.P. (1998). <i>Marketing: Creating value for customers</i> (2<sup>nd</sup> ed.) [p. 240]. Burr Ridge, IL: Irwin McGraw-Hill.</p> <p>Eggland, S.A., Dlabay, L.R., Burrow, J.L., &amp; Ristau, R.A. (2000). <i>Intro to business</i> (4<sup>th</sup> ed.) [pp. 313-314]. Cincinnati: South-Western Educational Publishing.</p>

- Farese, L., Kimball, G., Woloszyk C. (2002). *Marketing essentials* (3<sup>rd</sup> ed.) [pp. 568-571, 573]. New York: Glencoe McGraw-Hill.
- Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (1997). *Marketing essentials* (2<sup>nd</sup> ed.) [pp. 463-466]. Mission Hills, CA: Glencoe/McGraw-Hill.
- Jennings, M.M. (2000). *Business: Its legal, ethical and global environment* (5<sup>th</sup> ed.) [p. 196]. Cincinnati: West Legal Studies in Business.
- Johansson, J. (2000). *Global marketing* (2<sup>nd</sup> ed.) [pp. 61, 99, 101]. Boston: Irwin McGraw-Hill.
- Zikmund, W.G., & d'Amico, M. (1999). *Marketing* (6<sup>th</sup> ed.) [pp. 174-175, 274-281, 316, 321-323]. Cincinnati: South-Western College Publishing.